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U.S. DEPARTMENT OF COMMERCE  
PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board

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American Airlines, Inc.

v.

United Service Association for Healthcare

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Opposition No. 89,866  
to application Serial No. 74/252,938  
filed on March 5, 1992

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Herbert J. Hammond of Thompson & Knight for American  
Airlines, Inc.

Carla J. Dolce of Dolce & Thomas, LLP for United Service  
Association for Healthcare

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Before Cissel, Seeherman and Hairston, Administrative  
Trademark Judges.

Opinion by Seeherman, Administrative Trademark Judge:

American Airlines, Inc. has opposed the application of  
United Service Association for Healthcare to register  
BENEFITS ADVANTAGE as a service mark for "arranging group  
discounts on airfare, hotels and motels, child care, grocery  
coupon programs, preferred shopping services, long distance

telephone services, maintenance medications, vision care, mortgage acceleration programs and movie passes."<sup>1</sup> Opposer has alleged, in its amended notice of opposition,<sup>2</sup> that it is the user and registrant of the mark AAdvantage and design for "providing a program of bonus flights for frequent travelers" and the mark AAdvantage Gold and design for "transportation of passengers by air with door-to-door service"; that since 1981 it has used these marks in connection with bonus awards programs, namely airline frequent flyer programs; that consumers (AAdvantage members) who participate in opposer's AAdvantage program are credited points (AAdvantage miles) for free or discounted airline tickets, or discounts on goods and services offered by other companies associated with opposer's AAdvantage program; that opposer licenses its AAdvantage and design mark to companies for use in promoting their products and services, including hotel and resort services, car rental, credit card and banking services, and telephone services; that opposer has used its AAdvantage and design mark long prior to applicant's alleged first use of BENEFITS ADVANTAGE; that applicant's BENEFITS ADVANTAGE mark is confusingly similar to opposer's AAdvantage and design and AAdvantage GOLD and design marks and registrations therefor; and that the

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<sup>1</sup> Application Serial 74/252,938, filed March 5, 1992.

<sup>2</sup> Opposer's motion to amend its notice of opposition to include a pleading of likelihood of confusion with its registered mark AAdvantage GOLD and design was granted on September 16, 1994.

registration and use by applicant of BENEFITS ADVANTAGE in connection with its identified services is likely to cause confusion, deception and mistake.

Applicant has denied the salient allegations of the notice of opposition.

The record includes the pleadings; the file of the opposed application; the testimony, with exhibits, of opposer's witness Bruce Chemel, applicant's witness Sara Earnest,<sup>3</sup> and rebuttal testimony depositions of Annette Espey and Linda Novak.<sup>4</sup> In addition, the parties have stipulated that the affidavit with accompanying exhibits of William E. Harless are admissible evidence of the truth of what is asserted in therein.

Opposer has also filed, under a notice of reliance,<sup>5</sup> applicant's answers to opposer's interrogatories; the

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<sup>3</sup> Opposer has objected to certain portions of Ms. Earnest's testimony. These objections will be discussed in those portions of our opinion relating to that testimony.

<sup>4</sup> It is noted that the parties have designated certain testimony and exhibits as "confidential," but that these materials have not all been filed under seal. In particular, certain of the exhibits bear a "confidential" stamp, but have been submitted in binders along with non-confidential exhibits. In addition, during the testimony deposition of Sara Earnest a portion of the testimony was stated to be confidential, and that portion was, in fact, separately bound and filed under seal. However, that same portion was also bound with non-confidential testimony, which was not submitted under seal. The parties are allowed thirty days from the date of this decision to separate out any materials which are confidential, failing which the Board will treat as confidential only those papers which were properly filed under seal.

<sup>5</sup> With its notice of reliance, opposer submitted copies of certain documents, characterizing them as printed publications. However, many of these documents appear to be brochures and flyers promoting applicant's services, and are not considered printed publications as that term is defined in Trademark Rule

discovery deposition, with exhibits, of Sara Earnest; and status and title copies of the following registrations owned by opposer:

	providing a program of bonus flights for frequent travelers <sup>6</sup>
	transportation of passengers by air with door-to-door service <sup>7</sup>
	transportation of passengers by air; namely, providing a program of bonus flights for frequent travellers <sup>8</sup>

Applicant has submitted, under a notice of reliance, copies of certain third-party registrations, all of which are for marks which include the word ADVANTAGE or its

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2.122(e), e.g., books and periodicals available to the general public in libraries or of general circulation among members of the public. Moreover, opposer has failed to properly identify the documents in its notice of reliance by indicating the source and the date of the publication, and the general relevance of the material being offered. Accordingly, those documents identified only by Bates numbers, and not otherwise made of record such as by making them exhibits to discovery or testimony depositions, have not been considered. We would add that even if these materials had been considered, they would not have changed our decision in this case.

Opposer also submitted a copy of its application for AA Advantage DIAL-IN for "remote access system for checking account balance through automated voice response system." Although opposer subsequently indicated that this application issued to registration, a status and title copy of the registration was never submitted. Accordingly, the registration for this mark is not of record.

<sup>6</sup> Registration No. 1,228,737, issued February 22, 1983; Section 8 affidavit accepted; Section 15 affidavit filed.

<sup>7</sup> Registration No. 1,269,455, issued March 6, 1984; Section 8 affidavit accepted; Section 15 affidavit filed.

<sup>8</sup> Registration No. 1,788,496, issued August 17, 1993.

foreign equivalent; the file of opposer's registration for AAdvantage and design; opposer's answers to applicant's interrogatories and requests for admission, and opposer's "American Way" magazine.<sup>9</sup>

The parties have fully briefed the case, and were represented at an oral hearing before the Board.

Opposer began using the mark AAdvantage and design<sup>10</sup> in 1981 for a program to reward frequent flyers of its airline. Under this program, passengers earn credits based on the miles flown on American Airlines, and when they reach certain amounts, they can redeem these "miles" for free flights. Opposer obtained a registration for AAdvantage and design for this program in 1983, and subsequently obtained the other registrations which it has made of record. Opposer has also used AAdvantage (without the eagle design) as a mark for its services, and has used this term to identify many of the aspects of its program.<sup>11</sup> For example,

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<sup>9</sup> To the extent the "printed publications" submitted by applicant under its notice of reliance do not qualify as printed publications under Trademark Rule 2.122(e), and have not otherwise been made of record, they have not been considered. See footnote 4, supra. Further, even if they had been considered, they would not have changed our decision herein.

<sup>10</sup> Normally we would use an all-capital-letter format to indicate a trademark. However, in this case opposer depicts its mark with two capital A's at the beginning of the word, with the rest of the word in lower case. In order to try to create the same visual impact, we have done the same.

<sup>11</sup> Opposer uses the AAdvantage mark both with and without the small eagle design. Normally, both depictions are used in the same promotional pieces, although occasionally in some materials, such as letters, only the word mark (without the design) will be shown. Because these depictions are used interchangeably, unless we otherwise specify a particular depiction, we will refer to both depictions as AAdvantage.

people who are enrolled in the program are called AAdvantage members, and they earn AAdvantage miles. AAdvantage Gold is also used as a mark to identify that portion of opposer's program which services passengers who accrue 25,000 miles per year, while AAdvantage Platinum identifies that part of the program for those who accrue 50,000 or more miles each year.

Through the years the AAdvantage program has grown. In addition to the miles obtained by flying on opposer's airline, AAdvantage members can earn AAdvantage miles in a variety of ways. Opposer now has a number of AAdvantage partners to whom it licenses use of its AAdvantage mark, and who will credit an AAdvantage member with miles for staying with a particular hotel chain, using a particular car rental service or even flying on an airline other than opposer's. AAdvantage members can also obtain AAdvantage miles by using a particular bank's credit card or using a particular long-distance carrier for telephone service. The awards for which AAdvantage miles can be redeemed have also grown through the years. In addition to free flights and class of service upgrades on opposer's airline, AAdvantage members can get free flights on opposer's travel partners, including Singapore Airlines, Cathay Pacific and Reno Air. They are also able to get discounts on hotels and car rentals.

Opposer promotes its AAdvantage marks in a variety of ways. They are mentioned by opposer's reservations agents to telephone callers, and in-flight audio or video

announcements are made about the AAdvantage program on opposer's flights. Applications for membership in the program are distributed at airports and on flights. Opposer also advertises the AAdvantage program in major daily newspapers and national magazines, and promotes it in radio interviews. The partners in opposer's AAdvantage program also promote the fact that consumers can earn AAdvantage miles by purchasing their particular goods or services.

Opposer also engages in significant promotion of its AAdvantage marks in newsletters and other advertising which it sends to its active members many times a year (the number of issues a particular member receives will depend on such factors as his level of activity and place of residence). Although the parties have stipulated that the actual figures relating to the number of participants in the AAdvantage program, the amount spent on promoting the program, and the revenue received from the program remain confidential, we can say that AAdvantage members number in the millions, and that promotional expenditures and revenue are very substantial.

Applicant is a nonprofit corporation which provides benefits packages to employees of small businesses and others who do not have access to corporate benefit programs. Its discount packages are offered as part of a membership in one of applicant's membership groups. In March or April of 1992 applicant started marketing such a package under the mark BENEFITS ADVANTAGE to members of its USA+ group. The

benefits available under this package include discounts on air fares, which are obtained in the form of cash rebates when one makes travel arrangements by calling an 800 number for a particular travel agency; a 50% discount on hotels, including those in the Sheraton, Hilton and Marriott chains; cash rebates on rental cars; as well as savings on such consumer goods and services as movie tickets, child care, prescription medication, eyeglasses, an auto club, and a mortgage equity acceleration program.

Applicant markets its BENEFITS ADVANTAGE package to, inter alia, corporations, which can use the program to supplement employees' benefits packages.<sup>12</sup> While some corporations pay for the BENEFITS ADVANTAGE package, in the vast majority of cases it is the individual employee who pays for the package, generally through monthly payments.

There is no issue as to opposer's priority in view of opposer's registrations for AAdvantage and design, AAdvantage GOLD and design and AAdvantage PLATINUM and design<sup>13</sup> which it has made of record.<sup>14</sup> **King Candy Co. v.**

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<sup>12</sup> Our discussion of the marketing and advertising of the BENEFITS ADVANTAGE package is limited because much of this evidence has been marked confidential.

<sup>13</sup> Although opposer did not make reference to this registration in its pleading, it submitted a status and title copy of it under notice of reliance, identified it as one of opposer's marks in the interrogatories it served on applicant, and elicited testimony about it. Accordingly, we deem the pleadings to be amended under FRCP 15(b) to include a ground of likelihood of confusion with respect to this mark.

<sup>14</sup> While opposer has referred in its brief to its registration for AAdvantage Extra, a status and title copy of this registration was never submitted, nor did Bruce Chemel, who identified a "soft copy" of the registration during his



**Eunice King's Kitchen, Inc.**, 496 F.2d 1400, 182 USPQ 108 (CCPA 1974). Moreover, opposer has shown prior use of various AAdvantage marks, including AAdvantage, AAdvantage miles, AAdvantage Gold and AAdvantage Platinum.

This brings us to the issue of likelihood of confusion. We find that, because of the similar commercial impressions of opposer's and applicant's marks, and the close relationship between opposer's services and those identified in applicant's application, applicant's use of its mark for such services is likely to cause confusion.

With respect to the parties' services, we recognize that there are differences between the programs as they are offered by the parties under their respective marks. Specifically, opposer's program allows the consumer to earn "miles," which can then be redeemed for various rewards in the nature of free or discounted airfares (the discount being in the nature of an upgrade from the class of service which is purchased) or free or discounted hotel and rental car services, while applicant's program is offered as part of a membership plan, and provides a discount off the regular price of various goods or services. And, although both opposer's and applicant's services are marketed to the general public, there are specific differences in the parties' marketing methods.

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testimony, testify as to the registration's current status and title. Therefore, this registration is not of record.

However, the question of likelihood of confusion must be determined not on the basis of evidence adduced as to the nature and character of an applicant's goods or services, but on the basis of a comparison of the goods or services set forth in the applicant's application vis-à-vis the goods or services recited in the opposer's pleaded registration and/or with which opposer has shown prior use of its mark. **Hecon Corp. v. Magnetic Video Corp.**, 199 USPQ 502 (TTAB 1978); see also **Canadian Imperial Bank of Commerce v. Wells Fargo Bank, N.A.**, 811 F.2d 1490, 1 USPQ2d 1813 (Fed. Cir. 1987). In this case, applicant's identified services, and in particular the identified "arranging group discounts on airfare, hotels and motels" are very similar to the services rendered by opposer under its AAdvantage, AAdvantage GOLD and AAdvantage Platinum marks.

Moreover, opposer's and applicant's services are offered to the same class of consumers, and in particular are marketed to those consumers who fly for business or pleasure. In fact, opposer has submitted persuasive evidence that there has been an actual overlap in those who are members of opposer's AAdvantage program and those who are members of applicant's BENEFITS ADVANTAGE program. Because of the very large number of people who participate in opposer's AAdvantage program, and the widespread promotion of opposer's AAdvantage marks, many of the consumers to whom applicant's BENEFITS ADVANTAGE services

are marketed will be aware of opposer's services marketed under the AAdvantage marks.

With respect to the marks, again we recognize that there are specific differences between opposer's AAdvantage marks and applicant's BENEFITS ADVANTAGE mark. However, the dominant commercial impression of both opposer's marks and applicant's mark is the word ADVANTAGE. The bird design separates the initial two A's in opposer's mark, such that the impression conveyed is of the word ADVANTAGE, rather than a foreign or coined word which begins with the letters "AA." Similarly, when the AAdvantage marks appear without the bird design, applicant depicts the initial "A" in a different color from the word "ADVANTAGE." Even when the word AAdvantage appears in text without the bird design, consumers will perceive the term as "Advantage" because of opposer's practice of using AAdvantage with the bird design at least once in virtually all its materials. While we recognize that the initial capital A's and the bird design in opposer's marks, which are themselves a logo for American Airlines' services, are designed to reinforce the connection between the AAdvantage program and American Airlines, we do not think this detracts from the impression that opposer's marks essentially are the word "Advantage." Thus, in both appearance and connotation, opposer's marks are the equivalent of the word "Advantage."<sup>15</sup> Moreover, when

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<sup>15</sup> We recognize that certain of opposer's marks include the additional word Gold or Platinum. However, these additional

opposer's marks are spoken, such as in radio promotions, in-flight announcements and by telephone reservations agents,<sup>16</sup> AAdvantage is identical in pronunciation to "Advantage."

As for applicant's mark, the term BENEFITS is descriptive of applicant's services, (i.e., the group discounts are benefits) and would be given less origin-indicating importance by consumers. Significantly, applicant has indicated by its own actions that ADVANTAGE is the dominant element in its mark. When applicant issued the membership cards for its program, it did not have room to display the entire mark BENEFITS ADVANTAGE, and therefore used the word ADVANTAGE alone.<sup>17</sup>

It is well-established that, in articulating reasons for reaching a conclusion on the issue of likelihood of

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elements, with their laudatory connotations, do not change the essential commercial impression of the marks.

<sup>16</sup> In its brief applicant argues that Mr. Chemel's testimony does not show that reservation and travel agents promote opposer's AAdvantage marks. We disagree. Mr. Chemel responded, "Oh, yes, we do" to the question "Do you also promote the AAdvantage mark and AAdvantage program through call-in information, when customers call in to American Airlines?" Further, he testified that "our reservation agents and travel agents input AAdvantage numbers" and disseminate a great deal of AAdvantage information." We think it appropriate to conclude from this testimony that the agents make reference to the AAdvantage mark. In any event, such evidence is not necessary to our decision. A videotape, which opposer made of record as part of Mr. Chemel's testimony, shows that opposer promotes the AAdvantage mark aurally through in-flight announcements.

<sup>17</sup> Applicant subsequently removed the reference to ADVANTAGE per se from its cards because of opposer's objections; nonetheless, the fact that applicant chose to depict just the ADVANTAGE portion of its mark on the cards is instructive as to applicant's own perceptions of its mark.

confusion, there is nothing improper in stating that, for rational reasons, more or less weight has been given to a particular feature of a mark, provided that the ultimate conclusion rests on a consideration of the marks in their entireties. **In re National Data Corp.**, 753 F.2d 1056, 224 USPQ 749, 751 (Fed. Cir. 1985).

While consumers may well note that BENEFITS ADVANTAGE has the additional word BENEFITS, they are likely to believe that opposer has adopted this mark as a variant of its AAdvantage marks in order to identify another of opposer's travel services, rather than recognize that BENEFITS ADVANTAGE identifies services coming from applicant.

In reaching our conclusion that confusion is likely, we have considered the evidence of third-party registrations and third-party uses of ADVANTAGE marks submitted by applicant. Third-party registrations are not evidence of use of the marks shown therein, nor are they proof that consumers are familiar with the marks. **Hilson Research Inc. v. Society for Human Resource Management**, 27 USPQ2d 1423 (TTAB 1993). They may, however, be relied on to show that a word common to each has a readily understood and well-known meaning and that it has been adopted by third parties to express that meaning. **Ritz Hotel Ltd. v. Ritz Closet Seat Corp.**, 17 USPQ2d 1467 (TTAB 1990). In this case, they show that ADVANTAGE has a suggestive connotation indicating a

"benefit or profit" or "a factor favorable or conducive to success."<sup>18</sup>

However, whatever weakness opposer's AAdvantage marks may have had due to the suggestiveness of "Advantage" has long been overcome by opposer's extensive use and advertising of these marks. Given the length of this use, the number of people who are enrolled in the AAdvantage program, and the exposure of the public to these marks through in-flight announcements and advertising by both opposer and its AAdvantage program partners,<sup>19</sup> we consider opposer's AAdvantage marks to be strong and well-known.

With respect to third-party use, we recognize that evidence of widespread and significant use by third parties of marks containing elements in common with the mark being opposed can serve to demonstrate that confusion is not likely to occur. This is because the presence in marks of common elements extensively used by others, unrelated as to source, may cause purchasers not to rely upon such elements

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<sup>18</sup> The American Heritage Dictionary, new coll. ed., © 1975. The Board may take judicial notice of dictionary definitions. **University of Notre Dame du Lac v. J.C. Gourmet Food Imports Co., Inc.**, 213 USPQ 594 (TTAB 1982), aff'd. 703 F.2d 1372, 217 USPQ 505 (Fed. Cir. 1983).

<sup>19</sup> Applicant has attempted to minimize opposer's extensive promotion of its AAdvantage marks by pointing out that most of its advertising and advertising expenditures are directed to members of opposer's AAdvantage program. While that may be true, AAdvantage program members cannot be considered a limited number of people, such as those who might be members of a private club. Rather, because so many millions of people are enrolled in the AAdvantage program they are, in effect, the public at large, and therefore we find the AAdvantage marks to have been widely and extensively promoted throughout the United States.

as source indicators, but to look to other elements as a means of distinguishing the source of the goods and/or services. **Hilson Research Inc. v. Society for Human Resource Management**, supra.

In this case, however, the evidence provided by applicant, through the testimony of Ms. Earnest, is not sufficient to show that the public has had such widespread exposure. For the most part, her testimony is only that she has heard of certain ADVANTAGE marks, but she has not provided any information as to the length or extent of their use, such that we can ascertain their impact on the public. For example, she testified that she saw the mark INFORMATION ADVANTAGE on a cable TV "spot," but she did not know the products or services with which this mark is used. She also submitted, in connection with her testimony, brochures which included the terms and/or marks QUALITY ADVANTAGE, TRAVELERS ADVANTAGE and SHOPPERS ADVANTAGE,<sup>20</sup> and testified that she had called the "800 number" to "visit with the inbound telemarketing operator" about the programs. This evidence is of limited probative value, as there is no information about the extent of the use or promotion of these marks, nor is there any admissible information about the services. Other testimony relating to third-party use includes the

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<sup>20</sup> Opposer has objected to these exhibits, and the testimony relating thereto, as hearsay. Insofar as applicant has sought to use the statements made in those brochures as evidence of their truth, we agree that this is hearsay. However, the exhibits are admissible as evidence of the existence of the brochures.

mark ADVANTAGE PROGRAM, which is used for a debit card for vending machines for students at Miami Dade Junior College. Again, it would appear that there is very limited use of this mark. Moreover, the mark is for services which are in a different category from those of opposer and applicant.

Finally, the fact that there is no evidence of actual confusion does not persuade us to find that confusion is not likely. Evidence of actual confusion is not a prerequisite for finding likelihood of confusion. Moreover, it is well-recognized that evidence of actual confusion is notoriously difficult to obtain. Given this, as well as the limited number of applicant's customers and the limited time in which applicant has used its mark, the lack of evidence of actual confusion does not show that confusion is not likely to occur.

Thus, when all the relevant duPont factors are considered, including the similarity of the identified services, the commercial impressions of the marks, the strength and renown of opposer's mark, and the lack of sophistication of consumers of opposer's and applicant's services, we find that applicant's use of BENEFITS ADVANTAGE for, in particular, "arranging group discounts on airfare, hotels and motels" is likely to cause confusion with respect to the travel discount and other services provided by opposer under its various AAdvantage marks.

Decision: The opposition is sustained.



R. F. Cissel

E. J. Seeherman

P. T. Hairston  
Administrative Trademark Judges  
Trademark Trial and Appeal Board